

Colusa County Grand Jury

2008-2009
Final Report

COLUSA COUNTY GRAND JURY
2008-2009

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2008 -2009 Colusa Grand Jury Committee Reports

Audit/Finance

- **Background:** The 2008-2009 Grand Jury reviewed the responses of the County Auditor/Controller to the 2007-2008 Grand Jury recommendations, the recommendations were: 1) Risk Management be assigned to the Personnel Department. 2) The County independent audit firms rotate every three years.

Procedure: Interview with Auditor/Controller and review of County policies.

Findings: The County Auditor/Controller's reasons for the retention of Risk Management (RM) under the direction of the Auditor/Controller's office are based on the long term placement of RM, and subsequent expertise acquired in running a successful RM program. Many of the functions performed in the Auditor's Office are crucial to the running of an efficient and cost effective RM program.

Conclusions/Recommendations: Risk Management involves both Audit/Finance and Personnel issues. The responsibility of its positioning in the County remains with the Board of Supervisors.

Finding: The Grand Jury finds that the hiring of the same auditing firm to conduct the County Financial Audit does not conflict with current policy as there is no set policy. The County uses the same firm from year to year because it is cost effective and they possess the expertise and experience. Firms with experience in small county audits are difficult to find given the budget restraints of the Audit/Finance Department.

Recommendation: The Grand Jury understands the benefits of using the same auditing firm each year; however, the continuous use of the same independent auditor to perform these annual reviews runs the risk of impairing the objectivity of the contracted auditor. Therefore, we encourage the Auditor/Controller for Colusa County to change auditing firms on an industry standardized schedule.

- **Background:** The existence of the potential retirement over the next 5 years of a significant portion of experienced County employees led this Grand Jury to

inquire into what current measures are being taken for “succession planning” and how the retirement impacts the County fiscally.

Procedure: Interview with Department heads, review of retirement plans and the County’s contribution toward those plans.

Findings: The County employees who are eligible for retirement in the next 5 years number approximately 160 or about 50% of the current employees.

While not all employees will chose to retire immediately upon eligibility, many of those eligible are in senior management positions and their accumulated knowledge represents a major asset to the County that is lost upon their retirement.

The County contributes 24.354% to the Public Employees Retirement System (PERS) per full time employee, the employee contributes 1%.

Conclusion/Recommendation: Understanding that current financial difficulties can overshadow potential future ones, the Grand Jury believes the County to be aware of the succession planning issue but it is not a priority. The Grand Jury recommends that the Board of Supervisors make it a priority and instruct Personnel to provide a list of current County employees who have the skills or can acquire the skills to fill those positions. The 2008-2009 Grand Jury recommends that next year’s Grand Jury revisit this issue.

- **Background:** The Grand Jury was interested in how Grants & Trusts were administered and how they differed.

Procedure: Interview with Auditor/Controller

Finding: Grants are governmental programs for specifically designed objectives, such as public safety, education and public works projects. Trusts are funds that the County holds on behalf of others, such as schools, fire districts, public guardianship, etc. For example, the Morris Room Trust is a “Special Revenue Fund” used only for library “materials” as determined by the County Librarian. It is the interest off of that trust fund, and not the principal, which is used yearly. It may not be used for general fund obligations, such as payroll.

Conclusion/Recommendation: None

Response: None requested

2008 -2009 Colusa Grand Jury Committee Reports

City Committee: City of Williams

- **Background:** Founded in 1879, Williams is a community of approximately 5,600 people located 60 miles north of Sacramento. It is one of two incorporated cities in the County of Colusa. Located in the heart of the Sacramento Valley, Williams is an agriculturally oriented community. It was made a General Law City on May 20, 1920. The city is governed by a city council and by a mayor. These are publicly elected positions and act as the city's governing body. The city council establishes comprehensive goals and objectives for the city, provides leadership in establishing policies for the conduct of city business, and formulates priorities for allocating city resources. To carry out its policies, the city council appoints a city administrator who is responsible for directing departments, providing day-to-day leadership in policy development and implementation, and directing administrative functions, including overseeing the financial operations of the city.

Reason for Investigation: Upon the final meeting and publishing of the report by the 2007/2008 Grand Jury, information had already been received regarding the potential misconduct at multiple levels within the City of Williams (City). Immediately following the swearing in of the 2008/2009 Grand Jury, the committee responsible for reviewing the City's operations was charged with investigating an allegation of an impropriety involving an elected city official. Through this letter, a starting point was determined to launch an investigation and conduct a review of the practices employed by the City. The results uncovered numerous incidents of misconduct by officials, negligent management and questionable management decisions, some of which have been resolved and others will need further review by the 2009/2010 Grand Jury.

Procedures Followed/Investigative Methods:

To conduct our investigation we interviewed staff and officials directly related to or potentially familiar with the improper activity alleged in the letter received by the Grand Jury. Individuals interviewed included current and former employees, as well as other individuals directly implicated in the letter.

Although the committee had a single allegation to investigate, during the course of our interviews, a number of additional improprieties were alleged. This broadened the scope of the investigation to include a review of various City practices. We also received legal counsel from the Colusa County District Attorney (DA) and conducted an interview with the Williams City Counsel with the DA present.

To determine how the City manages its internal operations, we interviewed public officials and City staff at various levels to gain an understanding of processes used by the City. To understand how the City awards projects, we reviewed procurement policies and interviewed staff familiar with the City's practices. We also reviewed accounting records for invoices submitted by a contractor specified in the previously mentioned letter alleging an improper governmental activity.

To gain an understanding of the City's internal controls used to safeguard public money, we interviewed the past and present City finance staff. We also interviewed the Mayor and the City Administrator to understand how the City awards money to non-governmental entities. We interviewed members of a non-governmental entity to understand its operations and the record keeping. Additionally, we reviewed city council meeting minutes, maintained by the City Clerk, to assess which members were present during the decision-making process to award money to the non-governmental entity. Moreover, we contacted the IRS to determine if the non-governmental entity had filed the proper forms for tax exempt status. Finally, we reviewed various City job postings for its finance positions.

To evaluate if the city council had accurate and timely financial information, the Grand Jury inquired about the reports the council receives in order to make

informed spending decisions. To understand the budget monitoring process, we interviewed key members of the finance committee.

To conduct our review of an allegation of inappropriate conduct by a previous employee, we interviewed the individuals who filed the complaint and/or were knowledgeable of the allegation. We also contacted the independent organization that contracts with the City to handle risk management issues.

Findings:

Weak internal controls provide little assurance that the City of Williams uses public funds appropriately.

The absence of adequate assessments and controls make it difficult for the City to ensure that all public funds are used properly. The City donated money from its operating budget to an organization claiming to be a non-profit entity. The money was used to manage special events. Although the events occurred as scheduled, the entity that hosted the event falsely claimed that it was a non-profit organization. The City lacks mechanisms to verify the status of non-governmental entities that receive public funds and how such money is used. Moreover, the City failed to request expenditure information from the non-governmental entity to substantiate if the funds were expended properly, thereby providing little assurance that the public funds were spent appropriately. As a result, the City cannot ensure that the public money it donated to this organization was spent correctly.

The City hosts an annual event called Pioneer Days. The event showcases William's downtown district through a parade and nighttime festivities including a barbecue, fireworks and a street dance. Other activities to celebrate the event include races, a car and carnival midway. Initially, the event was hosted by the Chamber of Commerce, but it is now managed by a local organization known as the "Citizens for a Better Williams" (CBW). Additionally, the CBW has sponsored other community events, such as participating or hosting a Christmas parade. CBW has been in existence for less than five years and was co-founded by the current City Mayor. Although the CBW had purported to the public that it was operating in the capacity of a non-profit, tax deductible organization, it only recently complied with the necessary filing requirements (as of April 2009) to be recognized by the Internal Revenue Service as such.

Section 501(c)(3) of the IRS Code is generally recognized as the designated authorizing statute for tax-exempt organizations. The exemption can apply to corporations and any community association, fund or foundation that is organized and operated exclusively for religious, charitable, scientific, public safety, literary, educational purposes or to foster national or international amateur sports, or for the prevention of the cruelty to children or animals. Another statute, 26 U.S.C. (170), provides a deduction, for federal income tax purposes, for some donors who make charitable contributions to 501(c)(3) organizations. IRS regulations specify which deductions must be verifiable in order to be allowed. Additionally, the organization must not be organized or operated for the benefit of private interests nor may any of the net earnings benefit a private shareholder or individual. If the organization engages in an excess benefit transaction with a person having substantial influence over the organization, an excise tax may be imposed on the person and any organization managers agreeing to the transaction.

A public charity, identified by the IRS as “not a private foundation”, normally receives a substantial part of its income, directly or indirectly, from the general public or from the government.

In donating money to the CBW, the City assumes the oversight responsibility. Since the City lacks that oversight mechanism, it never requested to view any documents supporting a tax exempt or non-profit status of the CBW. The governing body for the City approved all donations to the CBW, which accounts for thousands of dollars from the City’s special events fund for the two-year period covering fiscal years 2007-2008. During this time, staff never requested reports from the organization nor did they ask for documentation to support the expenses incurred by the CBW to host the event.

Had the City possessed an adequate monitoring mechanism, it would have discovered that the CBW lacked sufficient documentation to support its financial operation and it was not considered “tax exempt” by the IRS. Contacting the IRS in September 2008, a representative informed us that the only information CBW filed with the IRS was a tax identification number, which is required for an organization to open and maintain a bank account. Furthermore, a call to the City’s finance department revealed that it did not even have the CBW Federal ID number on file; therefore, no follow up documentation of the donations would be properly validated. We contacted the IRS again in May of 2009 and were informed that the CBW was recently awarded a tax-exempt status (April 2009).

Although some members of the city council are directly involved with the CBW or have family members involved with the CBW, not all of the members recused themselves from the decision-making process that benefited the organization, and thus, creating the appearance of a potential conflict of interest. The current City Mayor is very active in the CBW, was a founding member of the organization, and informed the Grand Jury that she has a major decision making role in the CBW. Additionally, the current president of the CBW is a close relative of the Mayor. At the time the City awarded the funds to CBW, another council member's spouse acted as the organization's treasurer and was responsible for the financial aspects of the CBW. During voting on issues regarding the CBW, this council member left the meeting and abstained from voting, to avoid the appearance of conflict of interest. However, the Mayor has never recused herself from meetings where the council made decisions to benefit the CBW. In fact, instead of abstaining from the voting process, the Mayor voted in favor of awarding funds to this organization, a potential conflict of interest. Therefore, we question the city council's ability to make impartial decisions related to awarding funds to this organization.

The City circumvented its procurement process when it awarded a project to a contractor with ties to a city official.

The City utilizes a state mandated competitive bidding process when awarding work that exceeds a \$7,500 threshold. This process requires the City to solicit competitive bids to buy products or service through the process prescribed by the City's contracting policy. Generally, a competitive bidding process requires a minimum of at least three bids, depending on the dollar amount and type of purchase, and the City may choose to buy from the lowest responsible bidder. The policy exempts contracts from competitive bidding if the product or service is considered unique or available only from a sole source, as determined by a responsible official, or if it fails under the \$7,500 threshold. Typically, once the bids are received, the city engineer reviews them for reasonableness, determines which vendors are able to complete the project in a timely fashion and endorses a vendor. The city administrator is then responsible for sharing cost and bid information with the city council, who votes to approve or deny the bid for the project.

For smaller projects that do not meet the \$7,500 threshold, the city administrator can approve projects using a preferred vendor list. Per the Director of Public Works, the city administrator is authorized to award small projects that fall under the threshold. These projects often require more expertise than current city

employees have and may involve tasks such as painting, laying tile, or minor electrical work. The contractor is responsible for identifying the types of materials needed to complete the work and furnishes a list of materials to the City; the City then purchases the materials from local vendors. Once the project is completed, the vendor charges only for the labor needed to complete the project. Since a contractor submits invoices for the labor after the project is completed, the City is unable to determine if the total project costs will exceed the threshold until after the project is completed. Although this process appears reasonable for small projects that are well under the \$7,500 threshold, the awarding of other projects that are near the threshold may actually circumvent the City's competitive bidding process.

The City clearly circumvented its competitive bidding process when it awarded a small project to a local vendor who is closely related to a council member. The City awarded a project that required painting and tile work at City Hall to a local vendor. The contractor is a local resident and the spouse of the Mayor. The contractor submitted invoices for labor costs associated with the project. Instead of submitting one invoice for the total labor costs, it appears that the vendor may have split the invoices in order to circumvent the "small projects" threshold. The invoices exceeded \$8,000 and only itemized labor. The costs of materials for the project were paid directly by the City to a local merchant.

Although the invoices submitted by the contractor identified wages for three laborers, the invoices do not identify who actually completed the work nor do they identify the type of work completed, such as painting vs. tile work. Some witnesses we interviewed observed the Mayor working with her spouse during the completion of the project. We were unable to determine whom the individuals were that allegedly received payment for services rendered. If the Mayor worked on this project and was claimed on the invoice as an employee receiving a wage for services rendered, the Grand Jury is concerned as this activity creates the strong appearance of a conflict of interest. Additionally, when we questioned the Director of public works and the City Administrator about how the project was awarded, both individuals stated that the other was responsible for assigning the project to this specific contractor. While we were unable to determine if the Mayor actively influenced the awarding of this project, the active involvement in signing for material purchases and voting on the payment of subsequent invoices indicates participation and awareness of the situation.

The City's internal financial controls to safeguard public funds are inadequate.

The City relies upon inadequate internal controls and, consequently, it runs the risk of fraud and the untimely detection of such activities. During the period of the Grand Jury review, the City's finance unit consisted of two employees who were responsible for the day-to-day operations of the unit. These employees were siblings and were responsible for the incoming and outgoing City funds. One person was responsible for account receivables, taking in cash and checks for payment of services provided by the City. The other was the most recent city finance officer, who was responsible for reconciliations, accounts payables and running financial reports for the city council. A finance officer would usually be responsible for reviewing the work of the account receivable person. We had concerns about the City allowing the finance unit to operate in this manner, since the two individuals responsible for all incoming and outgoing money were related. Moreover, we had strong concerns about the lack of a clear separation of duties that existed regarding the responsibilities of the finance officer.

The lack of separation of duties can create an opportunity to misappropriate deposits, falsify records and conceal the falsification during the reconciliation process. Reconciling accounts ensures a careful review of all cash transactions and provides a means to prove the accuracy of records. Reconciliations are valuable because they allow the comparison of two independent sources that have recorded the same transaction. Having a supervisor reconcile their own work as well as a close family member's creates an environment that is far more susceptible to fraud and abuse. Moreover, since the City employees were related, the City lacked reasonable internal controls and, therefore, could not ensure that all tasks were adequately separated.

As of January 2009, the City has taken measures to add additional staff to its finance unit. The Grand Jury has been made aware that siblings no longer constitute the total staff of the financial unit. One employee has transferred to another department and the other employee has left City employment. However, the finance unit is still comprised of only two employees and our concerns about the lack of adequate separation of duties remains, especially since the City receives a large part of its accounts receivables in cash.

The City exercised poor judgment in the recruiting and selection of a Finance Officer.

The City's recently departed Finance Officer did not have the appropriate credentials to operate in this capacity, as an officer who is responsible for a city budget totaling millions of dollars annually. Even though she had worked closely with the City's previous finance officer, her level of experience outside of her known previous tasks should have raised questions about her knowledge, skills and abilities (KSAs) to act in the capacity of the City's finance officer. She lacked supervisory experience in an accounting setting and did not possess an accounting degree.

Based on our review of current openings for finance officers in other cities, the minimum qualifications specifically state that a combination of education and experience is needed to qualify for the position. These factors provide the KSAs that are necessary to operate in the capacity of a financial manager. A typical strategy of obtaining the required qualifications is to accumulate a number of years of directly related experience, including supervisory, in the accounting profession and hold, at least, a Bachelor's degree in accounting, finance, or a related field.

A review of the minimum qualifications for the previous finance officer for the City of Williams showed that the City required that all applicants possess a four-year college degree and a number of years of professional accounting experience. It was made known to the Grand Jury that there were a number of candidates applying for the position with more experience and education constituting the necessary KSAs to assume the finance officer position. The Grand Jury questions the City's rationale in eliminating this requirement when it came to hiring a successor, because it insinuates favoritism and preferential treatment. Moreover, we question why city council members failed to voice any objections over the appointment of this individual.

It is the Grand Jury's belief that the lowered minimum requirements were put into place to enable the city council's preferred candidate to qualify for the position, a position for which the candidate did not have the necessary skills and experience.

The City of Williams failed to adequately monitor its budget for most of fiscal year 2008-2009

The City uses a two-year budget process, which acts as a financial plan that includes operating budgets for two years. Generally, cities employ a two-year budget to emphasize long-range planning and effective program management. While appropriations continue to be made annually under this process, two-year budgets act as the foundation for preparing the budget in the second year. As a best practice, cities also rely on quarterly and mid-year reports that require the city council to assess the city's financial condition and amend appropriations, if necessary.

According to the Governmental Accounting Standards Board (GASB), many believe that the budget is the most significant financial document produced by a government unit. As an expression of a city council's financial intent for the upcoming fiscal year, the budget indicates the amount of revenue a city expects to receive and the expenditures it plans to make with its financial resources. The budget is an essential planning tool that reflects a city's choices among available spending options in providing its citizens with public services, including police and fire protection.

The Government Finance Officers Association (GFOA) recommends that a government periodically review budget-to-actual revenues, expenditures, cash flows and fund balances during the budget period. Regular monitoring of budgetary performance provides an early warning of potential problems and gives decision-makers time to consider actions that may be needed if major deviations in budget-to-actual results become evident. Additionally, the GFOA recommends that government agencies issue financial statements within 120 days of the end of the fiscal year, but recognizes that under certain circumstances a city might have difficulty meeting the deadline.

Although it uses a two-year budget process to manage and operate various departments, the City failed to use its budget monitoring mechanism during most of the fiscal year 2008-2009, and, as a result, increased the risk for the City to overspend. The City relies upon a finance committee, which consists of two council members, the finance officer and the city administrator, to prepare reports

that identify the City's overall financial health. Usually, financial reports indicate cash and operating surpluses or deficits in a city's general or restricted funds and allows the city council to be aware of the current financial status. Although it has resumed regular meetings, the finance committee failed to meet during the first nine months of the fiscal year 2008-2009. The first year-to-date "budget-to-actual" statement supplied to the committee, the council and department heads for the fiscal year 2008-2009 was in April of 2009. When the committee met in April, it realized that various City funds were either close to being overdrawn or contained less money than anticipated. Without timely, accurate and complete reports, the city council remains vulnerable to spending mistakes that may create a fiscal predicament.

Management also failed to adequately assess the City's financial status for most of fiscal year 2008-2009, and, as a result, was not able to report current information to the city council. The City's Finance Officer failed to perform reconciliations for most of the fiscal year and just recently resumed this process. As previously stated, reconciliations are a way to identify financial health. They provide key information for management to perform other analyses, such as comparing "budget-to-actual" of revenues and expenditures, reviewing cash flows and identifying fund balances during the budget period. Additionally, the City Administrator and the Finance Officer seldom commented about the City's financial health during most of the city council meetings for fiscal year 2008-2009. During our review of the city council meeting minutes, we noted plenty of missed opportunities for the City management to inform city council about the City's current financial status.

Although we are troubled by the fact that the finance committee and key management failed to report accurate and timely information about the City's finances, we are very concerned that the city council failed to perform its due diligence in requesting financial information from the responsible parties. Since two council members and key city staff participate on the finance committee, we are disturbed that the importance of this committee appears not to have been a top priority for its members. However, all council members share an equal amount of blame if they fail to inquire about the City's financial well being.

While city council members are not required to have training in public finance, the lack of rudimentary training puts city council members at a disadvantage when presented with or requesting financial information. If city council members do not fully understand information that city staff presents, or fails to present, during

council sessions, they could fail to recognize discrepancies and make decisions based on inaccurate information.

The City has yet to receive its audited financial statements for the fiscal year 2007-08, which would assist in revealing its current financial position and help with monitoring the City's budget. The City is currently in the process of having its independent auditor perform its financial statement review of fiscal year 2007-8, which is almost one year after the end of the fiscal and six months beyond the normal due date for such reviews. An audit of financial statements is a review of the statements, resulting in the publication of an independent opinion as to whether or not those financial statements are relevant, accurate, complete, and fairly presented. GASB 34 requires financial statement to include the reporting of budgetary comparison schedules as part of the required supplementary information that is included in a financial review. This information compares the budgeted amounts to actual inflows and outflows of the City's general and major special fund categories. Without the prompt completion of its independent financial statements, the City will not be able to make appropriate management and budgeting decisions. More importantly, it will not be warned of potential financial difficulties that might lie ahead.

The lack of accurate and timely financial information has resulted in the city council making poor spending decisions. The past eighteen months have seen major City projects begun and completed with the City authorizing and incurring over \$1,000,000 in expenses for these projects. The funding for these projects, however, was not secured. The city was planning on using secured funding instruments, such as grants and/or loans, to help cover the costs for eligible projects. Unfortunately, due to the State budget crisis, certain State grants have been frozen and, although the City has received notification that it is eligible to receive grant funds, these are unavailable until the State can resolve its financial issues. According to the Interim City Administrator, the previous administrator failed to submit documentation to secure funding for some of these projects relying on low cost loan options. Therefore, the reliance on the expectation of grant, other governmental monies, or low interest loans to pay for these projects was misplaced. Consequently, the city council was unsure of its financial status when it made these spending decisions and the City is currently experiencing difficulty with paying for routine accounts payable items.

Disregard of Risk Management issues by public officials exposed the City to potential liability.

Inappropriate conduct by a previous City employee may have exposed the City to legal action and increased the risk of potential lawsuits to the City. During the course of our review, the Grand Jury received allegations of inappropriate conduct by a City employee who served in a supervisory capacity. The Grand Jury was informed that a complaint was raised to the City's previous finance officer who served as the City's risk manager at the time of the grievance. The risk manager is responsible for creating and assuring safe and healthy work environments for City employees, administering liability insurance programs and responding to safety concerns. Risk managers must report allegations of inappropriate conduct to the City's risk management insurer and the Grand Jury was informed that this had been done in the instance that we investigated. Additionally, the Grand Jury was informed that the Mayor was apprised of the allegation.

Although citywide training was provided to raise awareness of this type of inappropriate activity, it appears unclear if the City acted prudently to ensure that it performed adequate due diligence to minimize the risk of any costly litigation that could have arisen as a result of this allegation. Shortly after the complaint was made and reported to the City's insurer, the risk management responsibilities were removed from the assigned risk manager and placed under the city administrator, where they currently remain.

Per the Mayor, City staff was given training to reinforce the City's policies regarding inappropriate behavior, but the Grand Jury was could not determine if the City took additional formal action such as reprimanding the supervisor involved or documenting any disciplinary actions taken.

The Grand Jury's concern is not with the validity of the complaint, although that should be a primary concern of the City's governing body, but in the apparent obfuscation of what happened to the complaint and what possibly was done to make the complaint disappear. The Grand Jury believes a work environment conducive to these kinds of complaints existed and management personnel at City Hall were aware of it.

Recommendations: To address the inefficiencies or improper acts identified and to prevent similar acts from occurring, the City should take the following actions:

- Identify the tax status of non-governmental entities that are requesting City funds and implement a mechanism requiring these entities to document and report how funds are used.
- Institute a yearly review process for identification of any actual or potential conflict of interest determinations with appointed and/or elected officials.
- Create a policy that requires public officials with ties to entities requesting City funds to recuse themselves from the decision making process.
- To award small projects that appear to fall under the \$7,500 threshold, the City should award these projects based on an agreed total cost that is guaranteed not to exceed the threshold limit. This may also require the City to be aware of the total cost of materials and include this amount if it decides to purchase the materials for a contractor.
- Identify incompatible areas within the finance unit and ensure that the duties are adequately separated.
- The City should identify the appropriate knowledge, skills, and abilities prior to posting a vacant or open position to ensure that staff has the necessary skills to operate in these positions.
- To reestablish the value of the budget monitoring mechanism as an essential planning and review tool, the city council should continue to make inquiries from the finance committee on budget-to-actual figures, making adjustments to expenditures promptly if needed to balance the budget. Put in place the staff necessary to produce accurate and timely financial information. The finance committee must meet on a fixed schedule and review support documentation for the numbers and projections.

- Take the appropriate steps to prevent staff from engaging in misconduct that place the City at risk of legal action; the City needs to follow its established, official chain of command to legally address these instances of misconduct in a timely fashion. Moreover, it should ensure that any actions it undertakes are acceptable to address allegations of instances of misconduct and that it adequately documents actions it has taken in this area.

Conclusion: The City of Williams faces substantial challenges as it strives to remain financially and cohesively solvent. The current situation of an Interim City Administrator, who is also responsible for public safety, and a vacant Chief Financial Officer position, leaves the City with a deficit of capable employees who can advise City Council on the best course to set towards stability. The City Council must act responsibly in recruiting qualified individuals for these positions, and it is imperative that they maintain adequate oversight over crucial financial functions.

The citizens of Williams have put their trust in their elected officials to competently ensure the continuity of services and community life. It is an obligation, duty and civic responsibility, which these officials have chosen to accept, to stabilize and guide the City's operations. The citizens of Williams have a right to expect that their elected representatives will make logical, reasonable and unbiased decisions based on sound information.

Request for Response: City of Williams City Council, Mayor of the City of Williams, Williams City Administrator and Williams's City Finance Officer.

2008 -2009 Colusa Grand Jury Committee Reports

County Committee

New County Personnel Ordinance: Chapter 45

- **Background:** In the summer of 2008, the County Personnel Director and the Deputy County Counsel collaborated on the creation of a new Colusa County Personnel Ordinance, referred to as the Colusa County Personnel Practices, Chapter 45. This new personnel code referred to as Chapter 45 was created to replace the existing personnel practices previously documented as Chapters 16 and 28.

Reason for Investigation: The 2008-2009 Grand Jury received a complaint regarding Chapter 45, which alleged the Chapter contains personnel ordinances that could be construed to be illegal and/or present financial or legal challenges to the County of Colusa by employees or employee organizations. Believing the complaint received to be from an unbiased and knowledgeable source, an investigation of Chapter 45 was undertaken.

Our concern and, therefore, our charge with Chapter 45 as a Grand Jury is to determine if this new Personnel Code does, in any way, present ordinances that would represent a financial or litigation threat to the County of Colusa.

Procedures Followed/Investigative Methods: To obtain an understanding of this new Colusa County Personnel Practices Code, we reviewed the chapter. To understand how other counties handle similar personnel issues, we reviewed other personnel ordinances from some of the surrounding counties. To obtain the County's perspective regarding the need to modify its existing personnel practices and policies, we interviewed the authors of Chapter 45. To obtain an understanding of how these new practices impact employees in bargaining units with the County, we met with a representative employee who had knowledge of Chapter 45. Additionally, we reviewed numerous documents and emails related to Chapter 45.

Findings: After reviewing Chapter 45, it appears that a number of employee bargaining issues may arise as a result of its passage. Specifically, Chapter 45 may have a conflict with the current employee Memorandums of Understanding (MOU) or may influence future MOU negotiations. In particular, there appears to be conflict between existing MOUs and Chapter 45 regarding employee use of vacation leave. Moreover, there may be a potential conflict with California Labor Code #227.3 and the new Chapter 45 vacation policy.

Regardless of the merits and potential benefit to the County, it appears the creation and adoption of Chapter 45 by the Colusa County Board of Supervisors has created a degree of animosity and contributed to poor employee relations amongst the Employee Unions impacted by Chapter 45. This appeared evident in one of the emails we reviewed from a County Supervisor to County Department Heads concerning objections with Chapter 45.

Although we have concerns about the County's adoption of Chapter 45, the section regarding substance abuse appears to be inadequate. One of the most financially and legally hazardous of a county's personnel problems can arise from substance abuse accusations and improper drug testing of employees. Section 45.6.3.1, section 45.6.3.2 and 3.3 of Chapter 45 is the code section which encompasses the substance abuse and drug testing personnel practices for the County of Colusa. In reviewing other counties' personnel practices, we find this particular section of Chapter 45 to be not only incomplete in scope, but the content in these sections detours significantly from what appears to be the standard language and procedure of like counties. Therefore we find these sections of Chapter 45 to need substantial improvement in scope, and procedural content. Chapter 45 has incomplete safeguards written into the practices to insure protections are in place to protect both the employee and the County.

Chapter 45 has no provision for training departmental supervisors in the accurate detection of substance abuse by an employee. Chapter 45 has no listing of objective indicators found to be reliable indicators of substance abuse. In Chapter 45 the employee has the burden for proving he or she is not under the influence of drugs or alcohol, and must request a drug test to prove their innocence. All drug testing policies reviewed by this Grand Jury demonstrate that the decision to drug test an employee is mandatory by the employer with an accusation. Additionally, testing is initiated only after validation by objective criteria has been documented by trained supervisors.

Chapter 45 has no provision for payment of the drug test and it is unclear as to who bears the cost of drug testing, the employee or the employer. The County does not require a qualified health professional to assess the drug test results, which could lead to costly legal challenges. In fact, there are no safeguards present in Chapter 45 for the evaluation of the potential for the legal presence of substances, or false positive results which may show up in a drug test. As a result, Chapter 45 leaves the evaluation of the drug test results to unqualified personnel. Since the County does not require a qualified health professional to validate the results of the drug test, this could potentially lead an unqualified person to make an inaccurate conclusion about the drug test's results. Therefore, if an employee was subject to disciplinary measures as a result of a legally prescribed substance or a false positive drug test result, the employee could challenge the analysis of the drug test results on the basis that the analysis was conducted by someone other than a qualified and trained health professional. As a result, this increases the risk that the County could be subject to costly litigation.

Conclusion/Recommendations: The way Chapter 45 exists now, an employee could be accused and disciplined without legally defensible proof. The Grand Jury believes this portion of Chapter 45 leaves the County of Colusa susceptible to legal liability should a supervisor encounter an employee they suspect to be under the influence of drugs or alcohol, both in making a false accusation or in the event of an accusation that is not validated with a drug test.

With the knowledge that the present drug testing policy is written so incompletely in comparison to the policies of other counties that we reviewed, we suspect other provisions in Chapter 45 may increase the risk of costly legal action against the County. This Jury has concerns about the soundness of the personnel policies instituted by the adoption of Chapter 45.

The 2008-2009 Grand Jury recommends the County institute a review process for Chapter 45 with special attention paid to risk management. We recommend the creation of a review committee consisting of department heads, elected and appointed, as well as the Board of Supervisors. It may be necessary to bring in an independent outside agency or consultant to accomplish this review.

Response Requested: Colusa County Board of Supervisors, Colusa County Counsel, Colusa County Personnel Director, and Colusa County Risk Manager.

2008-2009 Colusa Grand Jury Committee Reports

County Committee

Salary Survey: Nash Report

- **Background:** The 2008-2009 Grand Jury received a complaint regarding the existence of a salary survey that was provided to the County of Colusa (County) by Nash & Company (Nash) of 6453 Via De Anzar, Palos Verdes, California. The Grand Jury secured a copy of the contract in the amount of \$75,000 between Nash and the County that had a signing date of September 7, 2007. Signers were Supervisor Mark Marshall and Michael Nash, President of Nash, with approval signage by Henry Rodegerdts, County Counsel and attested signage by Kathleen Moran, County Clerk Recorder. The stated contractual completion date was to be no later than April 30th, 2008.

Generally, salary surveys allow an organization to obtain information about classifications and salary ranges for positions that are comparable within the specific organization. To accomplish this, County staff and the consultant identified positions that they believed matched the County's positions. The agreement with Nash contained language that contractor will: "Prepare and Present Preliminary and Final Reports of Classification & Compensation Findings, Conclusions and Recommendations". The County has had similar salary surveys in the past that resulted in a comprehensive written final report prepared by the designated consultant. Additionally, past salary surveys were disseminated to County departments upon completion.

The Grand Jury received this complaint in the fall months of 2008, approximately six months after the contractual date of completion. The Grand Jury then determined there was no written final salary survey report and the contractual time for the completion of the report was significantly delinquent, despite contractual payments by the County to Nash in the amount of \$75,000.

Reason for Investigation: The Grand Jury felt there were substantial payments made to the compensation consultants, Nash & Co., with possible inadequate return of contractual services. The Jury felt compelled to investigate the above-described contract and determine if the contractual services were provided.

Procedures Followed/Investigative Methods: To conduct our review, we questioned County staff familiar with the Nash contract. Specifically, we interviewed the County Personnel Director and obtained information from the Auditor-Controller. We obtained a copy of the contract and reviewed the pertinent sections that outlined what was to be completed by the consultant. This Grand jury looked into past practices for salary surveys completed for the County. Additionally, financial documentation related to this contract was secured from the County and reviewed.

During the investigation, even after interviews, the Grand Jury was not certain that the final work contracted was completed and accepted by the County, as specified by the contract. We sought to verify the status of the report by contacting Dr. Nash, making numerous attempts through phone calls, emails and a formal written request for an interview. We received no response.

Findings: The contract with Nash lacked key provisions that are vital for the County to determine if the services contracted and paid for were actually received. We noted the absence of two key elements from the County's copy of the contract. In the contractual document labeled Agreement for the Professional Services under Scope of Services, there is a written reference to the existence of an Exhibit A. There is no Exhibit A in the document. In this same Agreement under compensation there exists a reference for an Exhibit B that is a Schedule of Charges. There is no Exhibit B in the document. Both of these exhibits have direct relationship to the production of a final report that appears to have been the focus of the contract.

We are concerned about the review process utilized by the County for this particular contract, as it should have identified the missing exhibits in the final signed contract. Generally, a scope of work is defined as a chronological division of work to be performed under a contract in the completion of a project. A

schedule of charges typically identifies the amounts to be paid and the due date for these amounts. The written agreement did not include sufficient detail about the scope of work to be performed. The contract stated only in general terms the work to be done by the consultant and the benchmarks that would trigger a fee payment to the consultant. Additionally, the agreement did not specify the schedule to be met, or what progress reports were to be made. When the County fails to adequately review negotiated contracts, it leaves itself vulnerable and undermines the internal control structure established to identify allowable costs outlined in executed contracts.

The Jury questioned the Personnel Director about the completion of the survey, a final report and the delay in receiving this report. The Director stated that he was aware of the situation and that the County was working with Nash to receive the final report. The Director also stated, however, that although the contract contained a standard provision to withhold 10% of the funds at the end of the contract to ensure that the County was satisfied with the end product, final payment had already been issued to Nash. The County issued a final payment to the contractor without the contractual service completed.

After we raised concerns about this issue, a salary survey final report was released in 2009. The Colusa County Personnel Department completed the final salary survey report that was the contractual obligation of Nash and Co. Therefore, the Grand Jury believes the County entered into a non-completed contract for a salary survey that may have cost more than the agreed upon amount in as much as full payment was made for incomplete work. Moreover, this report was disseminated nearly one year past the contractually agreed upon due date of April, 2008

Conclusion/Recommendations: We question the County's practice of paying for a large percentage of a contracted amount when it contracts for a deliverable (*a type of report or item that must be completed and delivered under the terms of an agreement or contract*), especially when a contract lacks key information. During our review of the contract, we noted some standard boilerplate language stating the following: "When payments made by the County equal 90% of the maximum fee provided for in this Agreement, no further payments shall be made until the final work under this Agreement has been accepted by the County". This provision does not appear to be in the County's best interest when it enters into agreements for some form of deliverable, such as a final report. Instead, the County should consider adopting provisions that require payment for services to be tied to some form of activity or a deliverable. For instance, when the County

entered into the contract with Nash, the payment provision should have been directly linked to some form of deliverable. In this case, the County could have agreed to issue payment for activities related to the completion of a section of the final report. For example, the County would have issued a payment for the complete analysis of the classifications related to a cluster of classifications, such as public safety, which generally consists of fire and law enforcement positions.

By operating in this manner, the County ensures that the development of some tangible product will occur and the County only pays for items that it receives. Should a contractor breach a contract, the County will already have received a tangible products or services that can be utilized should a new contractor be obtained. This allows the County to avoid having to pay for a duplication of effort, thereby, reduce the overall costs associated with a large project, as it will have a portion of the original project completed.

The County Personnel Department and its employees are to be commended for compiling and completing a written classification and compensation study final report. However, the Grand Jury found it difficult to determine from Personnel as to what would be the final product delivered to Colusa County from Nash, or even what was the County's expectations of the final product delivered. The reasons for the significant delays in completion of the contractual work for the County were never fully explained.

The County of Colusa needs to have an improved methodology for insuring contractual agreement oversight, review and the timely completion of contracted services. The County of Colusa should refrain from entering into contractual agreements that only withholds 10% of the contractual payments to the contractor prior to completion to insure the County receives timely, high quality and appropriate completion of the contractual work.

Response Requested: Board of Supervisors, County Counsel and County Personnel Director

2008 -2009 Colusa Grand Jury Committee Reports

County Committee

County Website

- **Background:** The Colusa County Grand Jury County Committee for 2008 – 2009 determined as one of its current goals was to follow up on the 2007-2008 Grand Jury Findings regarding creation and implementation of a comprehensive website for the County of Colusa. The County Committee further decided to investigate the progress toward fulfillment of the stated goal to attain such a web site in the Colusa County's response to the 2007-2008 Grand Jury Report.

The 2007 -2008 County Committee recommended the following: *“the Information Technology (IT) division should develop a reasonable timeline for completion of a fully integrated County website which would provide employee and public accessible information, such as an up-to-date staff directory, online employment information and recruitment. The Jury feels this should be a high priority for the County, not only for outreach to the public, but interdepartmental communication and management.”* The Colusa County Board of Supervisors responded to this 2007-2008 Grand Jury finding in their letter to Judge Tiernan intended to serve as the response of the Colusa County Board of Supervisors to the Final Report of the 2007 -2008 Colusa County Grand Jury with the following written response *“The County expects to have an operational website in place by year's end.”*

Since the writing of the 2007-2008 Grand Jury Report, the County government has instituted several new County Departmental websites, and made some improvements to existing websites. The Colusa County Public Works website has been created and can be found at <http://www.ccdpw.com>. Public Works is to be commended on its website design and the quality of information available to the public available on their website.

The Colusa County Sheriff's Department whose website is found at <http://www.colusasheriff.com> has made some modest improvements since the 2007 -2008. The Colusa County District Attorney has created an informative

web site at <http://www.colusada.net>. The Colusa County Library has a significantly limited website that can be found at <http://www.colusanet.com/ccl>. It is, however, unclear what kind of countywide mechanism is in place for maintaining and updating these individual departmental websites.

Pre-existing individual departmental websites prior to the 2007-2008 Grand Jury Report consist of the Colusa County Clerk Recorder found at <http://www.colusacountyclerk.com>, the Colusa County Office of Education found at <http://www.ccoe.net>, and the Colusa County Department of Health & Human Services found at <http://www.colusadhhs.org/content/thirdTier/humServ.html>. All of these pre-existing websites are extensive with significant information for the public, as well as fully accessible links to related agencies and sites for the public.

Reason for Investigation: Colusa County (County) is most likely the only county in California without a comprehensive web portal or County main website providing access, in a single web search, all county government agencies, county services offered to the public as well as non-classified fiscal, employment or county service information.

Procedures Followed/Investigative Methods: The 2008-2009 Grand Jury County Committee interviewed a number of Department Heads during the course of investigations on a number of matters of concern to the Grand Jury. During all of those interviews, the County Committee investigated via interview questions the current progress and status of a countywide website. One of those interviews was with the Colusa County Personnel Director. Further interviews were completed with the Colusa County Tax Collector, the Information Technology Coordinator and, finally, an entire 2008-2009 Grand Jury interview with Datamind XP Productions, the apparent website development contractor.

Findings: Without a County web portal or main web site, all of the departmental individual sites are listed under differing domains and names, some of which would be very difficult to find by the public. Some County departmental websites are linked to other departmental websites; for example, the District Attorney website is available from the Colusa County Sheriff's Office website. The DA's website is difficult to access by a simple web search of "Colusa County". The DA website is accessed only with a search of Colusa County District Attorney at <http://www.colusada.net>.

Additionally, none of the sites utilize a governmental domain, which would distinguish for the public that those domains are authorized governmental sites. Instead County departments utilize private sector domain names which this Jury finds to be ill suited for County government.

There exists promotional literature available to the public that prominently features the web address for the CountyofColusa.com with the absence of a functional website.

There exists a website design contract between the County of Colusa and Datamind XP Productions. This contract was developed one year ago but only recently signed. Some work on the website was completed by Datamind XP Productions without a signed contract and with some early start up costs paid by the County. Datamind XP appears to have done due diligence to secure a signed contract and to commence work on this project in a timely manner but has come up against significant delays from lack of information and direction from the County.

There now exist a rudimentary County website that is under construction by Datamind XP at the domain site of <http://www.countyofcolusa.com>. The domain name creates difficulty in ease of search. For example, a simple google of Colusa County does not bring up the website easily. Also, in a simple google search, there exists a domain name of countyofcolusa.org which is hosted by Register.com and identifies itself as the future site for Colusa County. The preferred domain name for this website should have a governmental domain name. This will insure ease of public access and protect the public from fraudulent websites.

From the 2008-2009 Grand Jury investigation it is our understanding that the creation of a new County website is under the direction of Supervisor Tom Indrieri. This Jury finds that a Board of Supervisor member directly managing the creation of a website to be an ill suited duty for a Supervisor when there exist County employees with experience in Information Technology. The Grand Jury finds that creation and administration of a County Wide Website or Portal would be much better served if delegated to an appointed county committee, or an appointed individual with website experience.

The Jury finds that some preliminary work was completed without the legal protection of a signed contract between the web site design contractor and the

County of Colusa. We further find that the contractual amount is insufficient for the scope of the needed work to design and implement a full service website.

The Information Technology department for Colusa County has increased its personnel by one Information Technology Technician over this past year, which this Grand Jury recognizes as a positive step toward an improved technology services for Colusa County and its government.

Conclusion/Recommendations: The 2008-2009 Colusa Grand Jury concludes that the County of Colusa has made insufficient progress toward completing a fully integrated website. The Jury further concludes that a contract was negotiated for these services with Datamind XP but just recently contractually completed. Furthermore, there exists no person, department or committee tasked with the long term or day to day management of this website.

The Grand Jury strongly recommends that the present domain name be changed to an official governmental domain name.

The 2008-2009 Grand Jury recommends that the duties and responsibilities for the design and creation of a fully integrated countywide website be delegated to an appropriate qualified individual or committee for prompt completion of this project. Supervisor Indrieri should be relieved of this responsibility. To insure timely completion, it may be in the best interest of the County to offer a stipend to an employee to complete this project. Once the website is completed, the County should appoint a person or department to insure the website is adequately managed for updating, upgrading and keeping web service current.

Lack of a comprehensive integrated governmental website is a disservice to the citizens of Colusa County, to present employees and recruitment of future employees. A County that has insufficient web services is a County that cannot attract investment and industry.

Response Requested: Board of Supervisors, IT Director, DataMindXP

2008 -2009 Colusa Grand Jury Committee Reports

Criminal Justice

- **Background:** *California Penal Code §919, subdivision (b) provides: “The grand jury shall inquire into the condition and management of the public prisons within the county.”* Pursuant to the statute, Colusa County Grand Jury inspected the Colusa County Jail located at 929 Bridge Street, Colusa, California and inspected the Fouts Springs Youth Facility located at 1333 Fouts Springs Rd., Stonyford, California.

Procedure: The Grand Jury inspected the Colusa County Jail on January 27, 2009. The visit began with an interview with the Colusa County Sheriff who gave an overview of the facility, the buildings’ history, capacity and upgrades. The Grand Jury toured the facility with the Sheriff and observed detainees in both their cells and classroom situations.

Findings: Though aging, the detention facility appears well maintained and has accommodated renovations to meet the increased demand. It appears to have adequate space for the current level of use. The proximity to the Colusa Regional Medical Center appears to be of benefit to the facility.

Recommendations: None

Procedure: The Grand Jury inspected the Fouts Springs Youth Facility on March 20, 2009. The visit began with an interview of the Director of the facility and that day’s on site counselor. Members of the Jury were shown through the administrative, food service, housing, academic, trade shops & recreational buildings as well as a tour of the extended grounds which included the water & emergency facilities. The Jury was able to observe the young men in shop class as well as at academic activities and joined them and staff members for lunch.

Additionally, the Grand Jury inquired of the Auditor’s office and the Probation Department as to the current County financial obligation to the Fouts Springs Youth Facility.

Findings: At the time of the visit, the facility appeared to be well maintained. The staff appeared to be very dedicated and enthusiastic in their duties.

As of the date of the inspection, the facility and on site school employed eleven citizens of the County. Of the two beds that Colusa County is financially responsible for, one was in use by the County and another ward from Colusa Probation was expected that afternoon for the second bed.

The Director indicated a good working relationship with all County agencies.

Recommendations: The 2008-2009 Grand Jury recommends the continued support of the Fouts Springs Youth Facility with oversight by the Board of Supervisors.

- **Background:** The Grand Jury wanted to ascertain the level of gang related activity in the County and the methods used to combat it. Though is not illegal to belong to a gang, gang membership may be a factor in sentencing if a crime is committed. Nor may law enforcement arrest or detain a person on the basis of appearing to be a gang member. This would constitute gang profiling which is a variant of racial profiling and in violation of the 4th Amendment.

Procedures Followed/Investigative Methods: The 2008-2009 Grand Jury sent letters to various law enforcement agencies and schools within Colusa County to gauge the level of gang activity and to ascertain the methods used to combat gang related activity in Colusa County. Additionally, the Grand Jury conducted interviews with the Court Qualified Gang Expert, the City of Williams Chief of Police and spoke with the District Attorney's office.

Findings: The Grand Jury finds that gang related activity in the County seems to be consistent with the size and demographics of the County.

The Grand Jury finds that methods of combating gang activity have been greatly enhanced through cooperation with and learning from other counties' experiences. The law enforcement agencies are updating their data and knowledge of the best prevention, apprehension and prosecution methods in gang identified crimes.

The Grand Jury reviewed the written responses and noted that there seemed to exist no outstanding problems in the relationship between the law enforcement agencies and school districts. Support for gang resistance education appears to be readily available through law enforcement agencies, though one school expressed an interest in seeing the "S.A.R.B" (Student Attendance Review Board) be re-implemented as a functioning program, as it seems to have ceased, possibly due to workloads and funding.

Conclusions/Recommendations: The overall impression from the responses of the school districts gives high marks to law enforcement agencies in the County. There should always exist, however, vigilance for improvement by ensuring lines of communication are open and that everyone in their effort to combat gang related crimes and activity are on the same page – law enforcement agencies, school district officials and the community at large.

The Grand Jury also recognizes the vital role that parents or guardians play in prevention of gang activity. As one respondent wrote, "it's important to remember that no amount of resources, no amount of money and no amount of effort from law enforcement can be the primary weapon against gangs and their effects. The paramount weapon is parents.....Without buy-in from parents, gangs will continue to rise and all law enforcement will be able to do is react to events, not intervene in them."

Response: None requested

2008-2009 Colusa County Grand Jury Committee Reports

Special Districts

- **Background:** Charged by the 2007-2008 Grand Jury Report to continue a review of the Cemetery Districts, the 2008-2009 reviewed the operations of the Colusa Cemetery and Maxwell Cemetery Districts.

Procedure: The Grand Jury reviewed financial information as well as meeting minutes of the Districts. The Grand Jury visited the Colusa Cemetery and interviewed the paid staff member.

Findings: Given the budgetary constraints of the Cemetery District Boards, both Districts appeared to use the monies allocated to them responsibly. Both Boards are engaged in improving the Cemetery Districts.

Conclusions/Recommendations: The Board members of both Districts reviewed, appear to be dedicated and conscientious and we commend their efforts. However, the Grand Jury recommends that the Board of Supervisors looks to fill future District Board vacancies with new and, if possible, younger members. It is time for the burden of these responsibilities to be passed on to a new generation of County residents.

The Grand Jury recommends that the 2009-2010 Grand Jury continue the review of the County's Cemetery and other, small Special Districts.

Response: None requested

- **Background:** The Grand Jury received a written complaint dated October 6, 2008 regarding Special Education Services provided by the Colusa County Office of Education. The complaint alleged that the Pierce School District restricted the availability of Special Education for children with Individual Education Plans (IEPs) and has refused to test children for eligibility for IEPs.

Procedure: The Grand Jury interviewed the Colusa County Assistant Superintendent, Special Education. The Grand Jury reviewed State mandates for

Special Education and Colusa County Office of Education (CCOE) documents regarding enrollment numbers per district in Special Education programs.

Findings: The CCOE services in excess of 600 students in countywide Special Education programs. This appears to exceed the State average of 11% of identified special education students in other counties. The CCOE appears to have extensive outreach to identify students who may need Special Education through organizations that receive government funding, i.e., child care centers, First Five family recipients, Head Start programs, etc. However, those children who come into the school system from private day care or home care are not subject to the same outreach efforts.

The CCOE requires a written request by a concerned parent or guardian who would like their child evaluated for Special Education. Unless a written request is made by the parents or guardians, the child will not be evaluated for Special Education Services. Parents or guardians are not always informed upon inquiry of the written requirement which could result in delays in children receiving services and may prevent some children from receiving services altogether.

The CCOE provides certain Special Education through district staff teachers and contract specialists (speech, hearing and other skill impairment issues). The CCOE has not been able to hire enough staff to cover the student need in Special Education and relies heavily on contract specialists. The use of contract specialist is usually a more costly method of providing services.

Conclusions/Recommendations: The Grand Jury commends the CCOE Special Education program for its current outreach efforts, but believes it should institute a policy at all County schools that requires all school personnel to inform parents or guardians expressing concerns about their child that a written request is necessary to begin the evaluation process.

Additionally, the CCOE should develop a simple form in English and Spanish for parents or guardians to fill out to request an evaluation.

The Grand Jury recommends that the CCOE increase its recruiting efforts and revisit its salary schedule as it may be more cost effective to pay higher salaries than to pay private therapists.

Response Requested: Colusa County Superintendent of Schools